

SHRIMP SETTLEMENT FACT SHEET

- On July 18, 2016, the United States and Vietnam signed an agreement that resolves two World Trade Organization (WTO) dispute settlement proceedings regarding antidumping (AD) measures on imports of certain frozen warmwater shrimp from Vietnam and terminate certain claims in ongoing U.S. litigation.
- The WTO disputes and litigation arise from a 2005 order by the Department of Commerce (Department) imposing AD duties on certain frozen warmwater shrimp from Vietnam.
- The two outstanding WTO disputes resolved by the agreement are *United States – Anti-dumping Measures on Certain Shrimp from Viet Nam* (DS404) and *United States – Anti-dumping Measures on Certain Shrimp from Viet Nam* (DS429).
- Among the issues challenged in the DS429 dispute was a decision by the Department in 2010 not to remove a Vietnamese exporter, Minh Phu, from the AD order based on its claim that it had ceased dumping for a three-year period. In 2014, a WTO panel found the AD order to be inconsistent with WTO rules in certain respects, including elements of the decision not to remove Minh Phu from the order. In 2015, these findings were adopted by the WTO Dispute Settlement Body and the United States agreed to come into compliance.
- Following a request from USTR, the Department issued a preliminary determination under section 129 of the Uruguay Round Agreements Act on May 20, 2016, to implement certain WTO findings. The preliminary determination includes a recalculation of Minh Phu's dumping rates for 2008/2009 in a manner consistent with the WTO findings. As a result of the recalculation, Minh Phu's rate for that period was reduced to zero and the Department preliminarily found that revocation of the AD order with respect to Minh Phu was appropriate.
- The Department considered comments made by interested parties regarding the preliminary findings. No substantive changes were made as a result of

those comments and a final section 129 determination was issued on July 18, 2016.

- Under section 129, USTR has directed the Department to implement the final determination.
- Pursuant to the agreement, the United States and Vietnam have entered into a mutually agreed solution, thereby resolving both of the outstanding shrimp disputes.
- In addition, pursuant to the agreement, the United States, Minh Phu, and U.S. private parties will execute settlements of certain litigation claims and administrative proceedings. As a result of these settlements, U.S. Customs and Border Protection will refund to Minh Phu certain AD cash deposits.
- As part of the agreement, Minh Phu and its importers will be required to certify that it is the producer and exporter of any shrimp it exports to the United States, to ensure that other exporters are not circumventing the AD order.